

THE *Point* of
IT *All*

GT EXECUTIVE LEADERSHIP 03



Paul W. Taylor | Chief Strategy Officer



For the benefit of **Note takers...**

**PRESENTATION
AVAILABLE
ON THE WEB**
(SEE URL AT THE END)

What **Summer Vacation?**

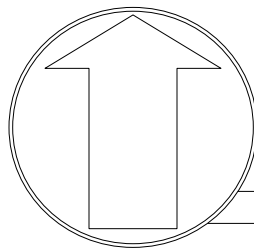


Getting called in while on vacation
IT professionals need to be geographically out of touch
Source: CoreProtect, Aug 03

23%

Dreading going back to work after vacation
Innate sense that things are going to be a mess
Source: CoreProtect, Aug 03

72%



THE *Point* of
IT *All*

GT EXECUTIVE LEADERSHIP 03

1990s

Strategic Inflection Point

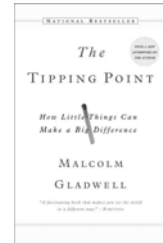


"A change so powerful that it fundamentally alters the way business gets done."

Internet

2000s

The Tipping Point ...



"... is that magical moment when an idea, trend or social behavior crosses a threshold, tips and spreads like wildfire."

Adopt & Adapt

30%

CHEAP



Expert Capitulation

BUDGET STORM AND UNEVEN PERFORMANCE

"A trough of disillusion."

- Gartner
December 2002

STRATEGIC VALUE DECLINES WITH UBIQUITY

IT CUTS BOTH WAYS FOR THE PUBLIC SECTOR

Technology's ubiquity is good news for government in fostering the digital majority of citizens, trading partners and employees

Government as a whole is "vulnerable to displacement" if it lags harnessing the power of technology compared to other groups in society



Defining **Digital Government**

MOVING BEYOND *e*

Behavioral

Service at time, place and venue of citizen's choosing

Organizational

Cross cutting & collaborative | Competence & Capacity

Functional

Automatic and Semi-Automatic Processes



Ahead this **Hour ...**



DEMOGRAPHICS
ARE DESTINY



THE NEW
CRITICAL MASS



CONVENTIONAL
WISDOM WATCH



WAY TO A BUDGET
WRITER'S HEART



THE
FUTURE FILE

Demographics are **Destiny**



Home Internet Access

All US Households 72% 

Source: Ipsos-Reid, Dec 02

Hispanic 44%

African American 46%

Caucasian 57%

Source: Knowledge Networks/SRI, July 02

US Home Broadband

	HOUSEHOLDS	PERCENTAGE
2001	10.4 M	17%
2002	15.7 M	23%
2003	21.4 M	30%
2004	26.7 M	35%
2005	32.0 M	39%

Source: Jupiter Research, Feb 03

Demographics are **Destiny**



Online US Households

Mothers 16:52/week

Teenagers 12:17/week

IM & e-mail 97%

News/CA 93%

Local information 90%

Source: AOL Direct Marketing Services, April 03

Teens Tweens & IM Nation

KIDS & TEENS

2-17y 11.5m

% of online pop 20

Source: Nielson NetRatings, Aug 02

TWEENS (13-17y)

Use Internet Regularly 73%

Have Own Web Site 10%

"Dreams are hard currency – Fear ... Mastery ... Stability"

Source: Brandchild, 03

Gadgets become **Appliances**

Use of Internet Applications **72%**



Windows Media Player	41.5 m	31%
RealOne/ Real Player	27.2 m	21%
AOL Instant Messenger	27.8 m	22%
MSN Messenger	22.7 m	14%
Yahoo! Messenger	15.6 m	12%

Source: Nielsen-Netratings Dec 02

Beyond **Dial Tone**

Share of US Households with Broadband **28%**
High speed access via cable or DSL

Source: Gartner DataQuest Nov 02

Growth of Broadband Internet Connectivity **57%**
6.5 million new subscribers in the last year

Source: Leichtman Research Group Apr 03

Cable's Share of High Speed Connectivity **65%**
Top ten cable companies account for 11.25 million subscribers

Source: Leichtman Research Group Apr 03

Awareness of Wi-Fi **41%**
13% have home Wi-Fi network, another 14% plan to purchase

Source: Ipsos-Reid Feb 03

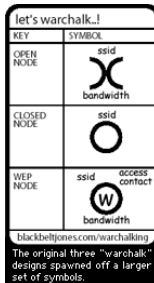
US Companies that support 802.11 **57%**
Small company adoption: 83% - Large company: 71%

Source: Juniper Researc Apr 03

Adoption of wireless laptops by 2005 **95%**
Built-in wireless capabilities based on Intel's Centrino

Source: META Group Apr 03

Untethered Nation



MOST UNWIRED CITIES

- 1) Portland, OR-Vancouver, WA
- 2) San Francisco-San Jose-Oakland
- 3) Austin-San Marcos, TX
- 4) Seattle-Bellevue-Everett
- 5) Orange County, CA
- 6) Washington, DC
- 7) San Diego, CA
- 8) Denver, CO
- 9) Ventura, CA

10) Boston, MA

Source: Intel, April 03

Hot Spots:
Government
Revenue
Source and
Last Mile
Answer?

DEMOCRATIZATION
OF WI-FI ACCESS



"Free?"
Hotspots
a la early
Internet

nycwireless



Tipping Points ?



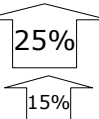
IRS Online
Online Tax Services

Source: Nielsen-Netratings Apr 03

UNIQUE VISITORS

10.1 M

22.0 M



Record Video Streams

Streams Served	Average	9/11	War in Iraq
	0.4 M	6.0 M	10.0 M

Source: paidcontent.org Mar 27 03

03 21 03

On★Politics

Election News

Candidate positions, issues, information

Midterm 1998

15%

60%

2002

22%

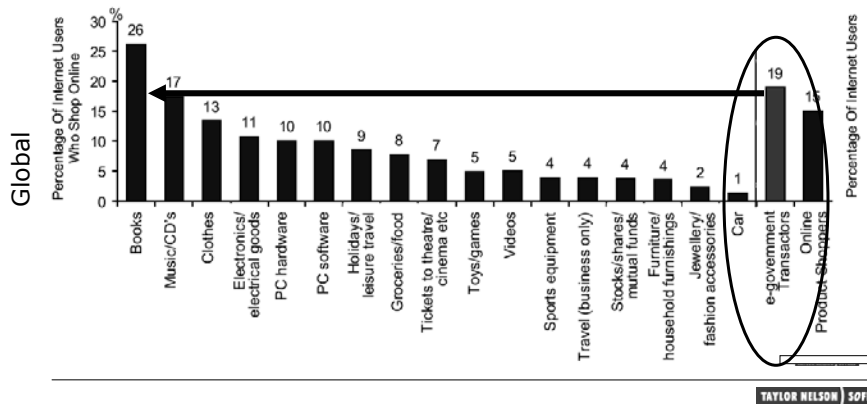
80%

Source: Pew Internet & American Life Jan 03

Changing Behavior



30% of adults access government online



Revisiting the Benchmarks



BY 2003

Productivity Gains

Source: Brookings Institution

PROJECTED

\$250 B

ACTUAL

\$450 B

Consumer E-Commerce

\$108 B

\$95 B

Business E-Commerce

\$1.3 T

\$2.4 T

Source: Forrester

INTERNET COMFORT

Online Population
That Makes Purchases
DOT-COM

Source: eMarketer, 2003

=

Online Population
That Transacts
DOT-GOV

The New **Critical Mass**



		UNIQUE VISITORS
Microsoft		92.6 m
AOL Time Warner		92.6 m
Yahoo!		79.8 m
Dot-Gov Properties		38.3 m
Google		37.7 m
Terra Lycos		37.0 m
RealNetworks		34.4 m
Amazon		34.0 m
eBay		32.5 m

Source: Nielsen-Netratings, Nov 02

Global Gov't **Competition**

2003 RANKINGS	POPULATION	ONLINE POP	PERCENTAGE
1. Canada	31.9 m	16.84 m	53%
2. Singapore	4.5 m	2.31 m	51%
3. United States	280.5 m	168.6 m	60%
4. Denmark	5.4 m	3.37 m	62%
5. Australia	19.5 m	10.5 m	54%
6. Finland	5.2 m	2.69 m	52%
7. Hong Kong	7.3 m	4.35 m	59%
8. United Kingdom	59.8 m	30.4 m	51%
9. Germany	83.2 m	41.8 m	50%
10. Ireland	3.88 m	1.31 m	34%

Source: Accenture, April 03

Source: Nielsen-NetRatings/ITU/CIA's World Factbook/Center for Digital Government

Global Gov't **Competition**

2003 RANKINGS

1. Canada
2. Singapore
3. United States
4. Denmark
5. Australia
6. Finland
7. Hong Kong
8. United Kingdom
9. Germany
10. Ireland

Source: Accenture, April 03

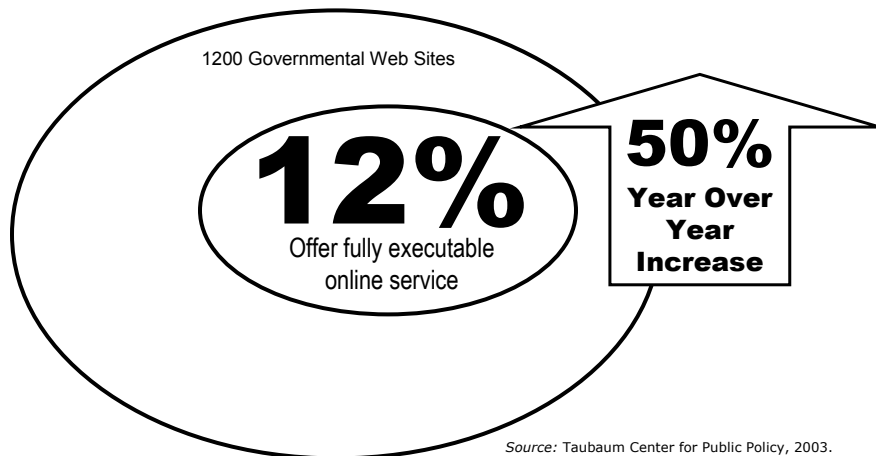
accenture

CONCLUSION

Digital Government is an evolutionary process that is part of a broader service transformation effort.

[The leaders are] differentiated by ... customer-service vision; methods for measuring success of services; broad, integrated approach to offering government services through multiple service-delivery channels; and a cross-agency approach to online services.

Government Online **Maturity**



Source: Taubman Center for Public Policy, 2003.

Little help from your Friends

STATES HOSTING COUNTY TAX APPLICATIONS

Florida
Iowa

STATES HOSTING LOCAL GOVERNMENT WEB PROPERTIES

Iowa
Georgia
Maine
Nebraska
Texas

STATES WHERE LOCAL GOVERNMENTS SHARE HOSTING ENVIRONMENTS

California
Florida
Nebraska
Washington



What Permits Can You Get Electronically?

You may transact limited scope over-the-counter electrical, low voltage electrical, mechanical, and plumbing permits on this site. Generally, these are permits that do not require plans, calculations, other agency approval, or staff intervention. Combination building permits that normally include electrical, low voltage electrical, mechanical, and/or plumbing work are not available at this time. The following permit types are available electronically:

- **Electrical Permits**—installation or alteration of electrical service, wiring, or circuits in existing buildings.
- **Mechanical Permits**—installation or alteration of fuel gas piping, heating, ventilation, or cooling equipment within existing buildings.
- **Plumbing Permits**—installation or alteration of water or drainage piping, including the associated fixtures in existing buildings.



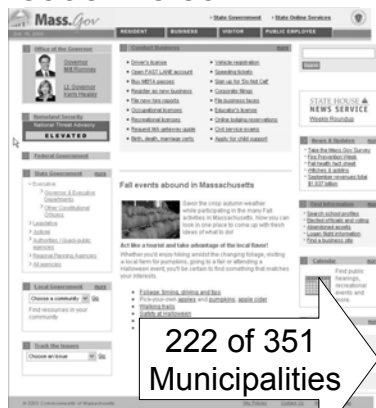
Shared Services Computing Utilities

- Regional facilities/ Shared Applications
- Across jurisdictions
- All levels of government
- Public or Private Ownership/ Operation

The Rise of the Cyberplace

Google

GOOGLING GOVERNMENT



222 of 351
Municipalities

City & County

74%

Of Remaining, Plan to Launch in 03 – 59%

Many sites are still more index than portal

INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION (ICMA), 2002

California

83%

ASSOCIATION OF COUNTIES/ LEAGUE OF CITIES/GOOGLE/FIRSTGOV/CDG

New York

72%

ASSOCIATION OF COUNTIES/ LEAGUE OF CITIES/GOOGLE/FIRSTGOV/CDG

Colorado

56%

ASSOCIATION OF COUNTIES/ LEAGUE OF CITIES/GOOGLE/FIRSTGOV/CDG

Utah

48%

ASSOCIATION OF COUNTIES/ LEAGUE OF CITIES/GOOGLE/FIRSTGOV/CDG

Kentucky

22%

ASSOCIATION OF COUNTIES/ LEAGUE OF CITIES/GOOGLE/FIRSTGOV/CDG

Massachusetts

63%

Massachusetts Municipal Association

Industry Benchmarks

WEIGHT (LOAD TIME)

Optimum Median Weight 60 KB
Industry Average 89 KB

Source: Byte Level/Zonia Research

State Portal Average 128 KB
Range 62 – 284 KB

Source: Center for Digital Government

HEIGHT (SCROLL)

The New "No Scroll" Sensibility



Coming Soon

[AS SOON AS THE INK DRIES]

Scroll Creep



SHORT

13

ONE SCREEN



AVERAGE

28

TWO SCREENS



YOU



YAPOC

9

3 OR MORE

Load and Scroll Index

CHUNKY & SPRAWLING

LSI Worst

Pennsylvania
Connecticut
Nevada
South Dakota
Washington
New Jersey
South Carolina
Minnesota
Illinois
Florida

LEAN & SHORT

LSI Best

Arkansas
Wisconsin
Ohio
Arizona
Georgia (T1)
Maine (T1)
New York (T1)
Indiana (T2)
North Carolina (T2)
Vermont (T2)
Nebraska
North Carolina (T3)
Wyoming (T3)

CONVENTIONAL WISDOM
SPECIAL IN-THE-DARK EDITION

Who put out the lights? Start with the anything-goes deregulators, many of them handpicked by Enron. How about a real cong. probe this time?

Bush	↓	Mr. "energy expert" prez says blackout was "a wake-up call." Why was he sleeping to begin with?
Bloomberg	↑	Unloved N.Y.C. mayor was cool, competent and in control. Even Rudy couldn't have done better.
Pataki	↓	N.Y. gov tried to blame Canada, every-one else. What have you been doing for past nine years about the grid?

THE MAYOR

Cities ↑ No power, hot summer night, lousy economy—and almost no looting. Post 9/11: We're nicer to each other.

Air travel ↓ They check your shoes, but not cargo. Terrorists can get shoulder missiles. Welcome to your final destination.

Microsoft ↓ Months after Bill's security push, Blaster worm eats hundreds of thousands of Windows. Blame Canada.

SPECIAL REPORT
Newsweek
BLACKOUT OF 2003
What Went Wrong? How America Coped

HOMELAND
Status, Preparedness & Response

THREAT ADVISORY
ELEVATED
Significant Risk of Terrorist Attacks

Homeland Security

- Homeland Security Threat Level - **Yellow** (Elevated)
- Governor Ehrlich Establishes Office of Homeland Security
- Ehrlich Meets with President Bush, Secretary Ridge on National Infrastructure

READY.GOV
Finds what you need in an emergency

WSP
WASHINGTON STATE POLICE

WASAB
WASHINGTON STATE ASSOCIATION OF BROADCASTERS

Kids 911

Current AMBER Alerts
Enter your zip code to see if there is an AMBER alert in your area.

Search AMBER Alerts
Click here to view photos, check map routes and more.

Protect Your Children
What you can do to keep your children safe.

Business Alerts
Many children have been reunited with their families.

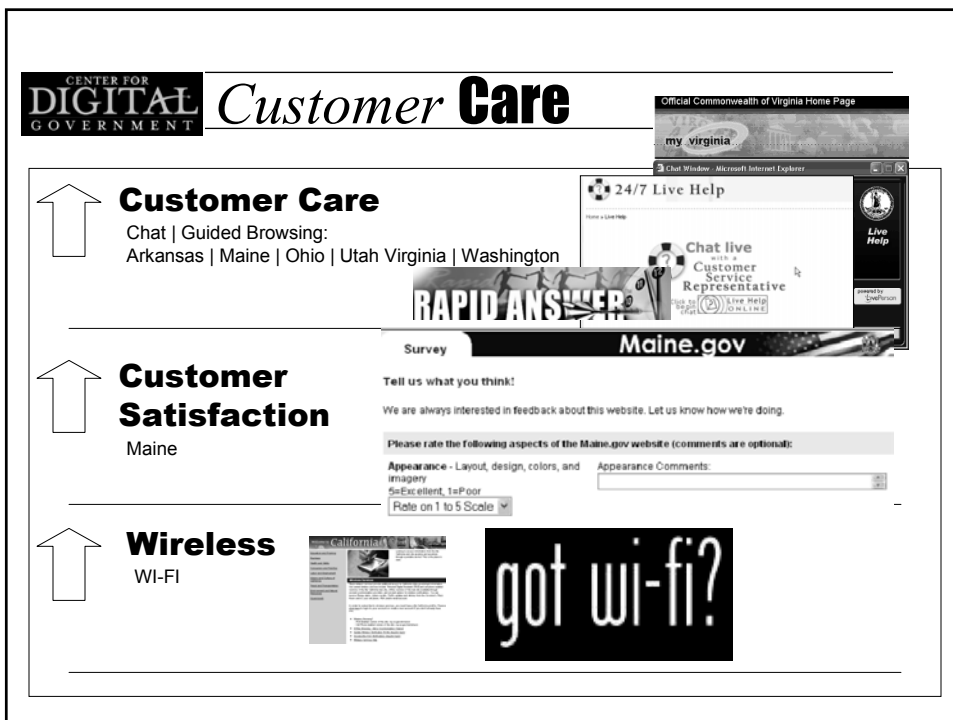
Sign Up FOR ALERTS

For Parents
If not all what to do to help. Report a Missing. Have you seen a missing child? Report it here.

What Can I Do?
Find out what you can do to help. Together we can make a difference.

Media Center
Listen to AMBER Alerts and check out Public Service Announcements.

Learn and Protect
Learn about kid safety, federal and state laws, games and more.





State Level C-SPAN Services

20 States

Audio and Video Streaming | Cable TV | Low Power FM



Washington State's
Public Affairs Network

Calendar



Public Meeting Calendar

Arkansas | Arizona | Connecticut | Indiana
Maryland | Montana | Nebraska | Utah | Vermont

Calendar

July

Sun Mon Tue Wed Thu Fri Sat

1 2 3 4 5

6 7 8 9 10 11 12

13 14 15 16 17 18 19

20 21 22 23 24 25 26

27 28 29 30 31

July 2003

Jul 28 10:00 AM [EJMS] Utah State Building Board (ccsp)
Jul 22 10:00 AM [EJMS] Winter Opening of Skiing Track (ccsp)
Nov 07 10:00 AM [EJMS] TTTC (ccsp)
Nov 29 10:00 AM [EJMS] Substituted (NY) World Cup (ccsp)
Nov 30 10:00 AM [EJMS] Substituted (NY) World Cup (ccsp)
Dec 28 10:00 AM [EJMS] Executive Appropriations Committee (ccsp)
Feb 12 10:00 AM [EJMS] Long Track Speed Skating World Cup (ccsp)
Feb 12 10:00 AM [EJMS] Long Track Speed Skating World Cup (ccsp)
Feb 12 10:00 AM [EJMS] Long Track Speed Skating World Cup (ccsp)
Feb 17 10:00 AM [EJMS] Short Track Speed Skating World Cup (ccsp)
Feb 17 10:00 AM [EJMS] Short Track Speed Skating World Cup (ccsp)
Feb 17 10:00 AM [EJMS] Plan to Attend the Utah Olympic Anniversary Celebration (ccsp)



Employee Phone Directory

Online | Searchable



Employee e-mail Directory



listserv

Self Subscribed
Communities of Interest



accessIndiana
Connect with Government

State

General Assembly
Elected Officials
Who's Your Legislator?
State Courts

Agency Links

Email Directory
Phone Directory

Online Services

En Español

Local

City and County Web sites

Federal

GovBenefits.Gov
FirstGOV Home Page



Community e-Lerts™ Program

E-mail notification in response to a series of home invasion robberies and car heists

July 28, 2002 Launched in Medina-Hunts Point
September 1, 2002 70 residents
April 20, 2003 1,730 residents

Name trademarked by its creator and moderator –
Police Chief Michael Knapp



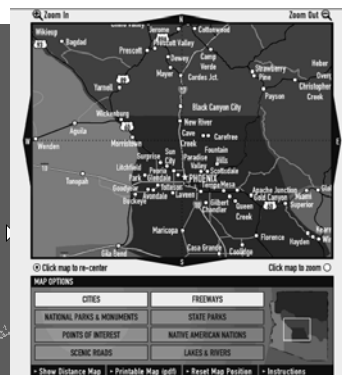
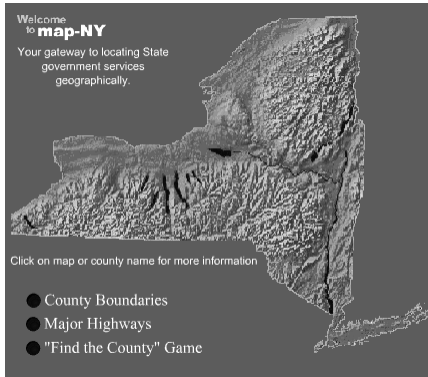
Model for a two-way cyberspace
Block Watch begun by a resident of
nearby Wallingford – neighbor-to-
neighbor e-mail alerts on listserv.

Participation has grown so large that
it will be re-tooled so it can be
customized to particular blocks.



GIS PROVING ITS VALUE

Arkansas | Maine | Ohio



Location Aware Applications



REGIONALIZATION

Map or Zip Code Driven
New Jersey and elsewhere



CAMERA FEEDS

Traffic Flows

Phone-Web Information



Community Information

Connecticut
Non-Governmental



Non Emergency Information

Inter Governmental



Travel Information

Funded in 44 States
Active in 14 States





SEARCH

All 50 States
Great Algorithms | Human Modeling



SITE MAP

Benign neglect



THIRD PARTY VALIDATION

Underused



PRIVACY STATEMENT



SECURITY STATEMENT

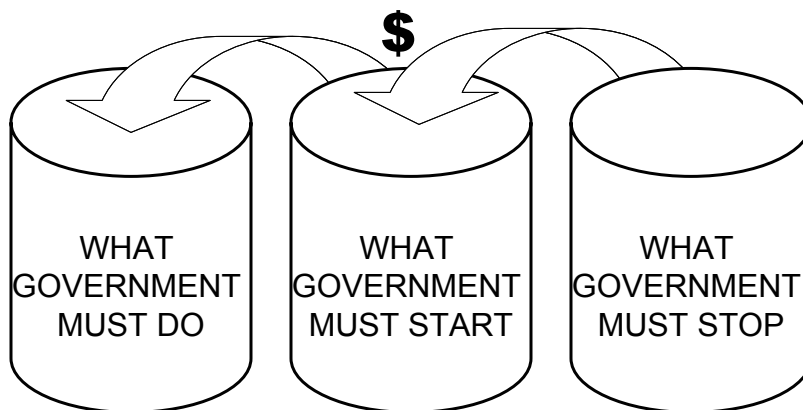


OUT OF BAND

Nebraska@ Online
Cornhusker Square
301 S. 13th St., Suite 301
Lincoln, NE 68508
Fax: (402) 471-7817
Phone: (402) 471-7810 or 800-747-8177

Several transactions, the georgia.gov
 layer (SSL) encryption protocol to
 information, including your credit
 rtypted from your computer to the
 request.
 privacy, do not divulge any passwords
 de card number) to anyone in a
 re finished with those applications
 required the input of your credit card
 ended that you close or otherwise

Reduce pressure on
**GENERAL
FUND**
by reducing reliance on it.



Source: Center for Digital Government, 2003.

CENTER FOR
DIGITAL
GOVERNMENT

Pay IT **Forward**

GENERAL
FUND

INTERNAL MEANS

- Diverted Reversions
- Reallocation/Migration
- User Fees
- Grants & Gifts
- Bonds & Loans
- Tax Simplification
- Revolving Funds
- Reuse & Sharing

EXTERNAL MEANS

- Advertising
- Gain Sharing
- Self Funded
- Out Sourcing
- Strategic Sourcing
- Reverse Funding

Source: Center for Digital Government. 2003.

CENTER FOR
DIGITAL
GOVERNMENT

Pay IT **Forward**

Option 1
 >> Diverted Reversions

Option 2
 >> Reallocation and Channel Migration

Option 3
 >> User Fees

Option 4
 >> Grants, Charitable Gifts & Endowments

Option 5
 >> Bonds & Loans

Option 6
 >> Sales Tax Simplification

Option 7
 >> Revolving Funds

Summary
 Charitable Foundation
 Summary
 Public Policy Rationale
 Non-If Works
 Non-If Doesn't
 Recommendations

Option 8
 >> Reuse and Sharing

Option 9
 >> Adaptation & Governance Reform

Option 10
 >> Gain Sharing: Tax and Revenue

Option 11
 >> Gain Sharing: Fraud Reduction

Option 12
 >> Self-Funded

Option 13
 >> Outsourcing

Option 14
 >> Strategic Sourcing

Summary
 Charitable Foundation
 Summary
 Public Policy Rationale
 Non-If Works
 Non-If Doesn't
 Recommendations

Pay IT Forward

Diverted Reversions: Cigarette Tax

Nebraska IT infrastructure fund gets 2 cents per pack

Source: Center for Digital Government, Sep 03

\$24 M

Reallocation: Hard Dollar Savings

LA cannibalizes self to pay for \$28 Million Supply Chain

Source: Center for Digital Government, Sep 03

\$37 M

Rate Reductions: Moore's Law in Action

Washington (15) and North Carolina (7) in FY 2003

Source: Center for Digital Government, Sep 03

\$22 M

Gain Sharing: Tax and Revenue

Four states in four years (including \$153M VA TAX system)

Source: Center for Digital Government, Sep 03

\$1.5 B

Fraud and Abuse Recovery

Texas Medicaid exceeded goal by 217% in four years

Source: Center for Digital Government, Sep 03

\$140 M

Strategic Sourcing: Visibility on \$6B Buy

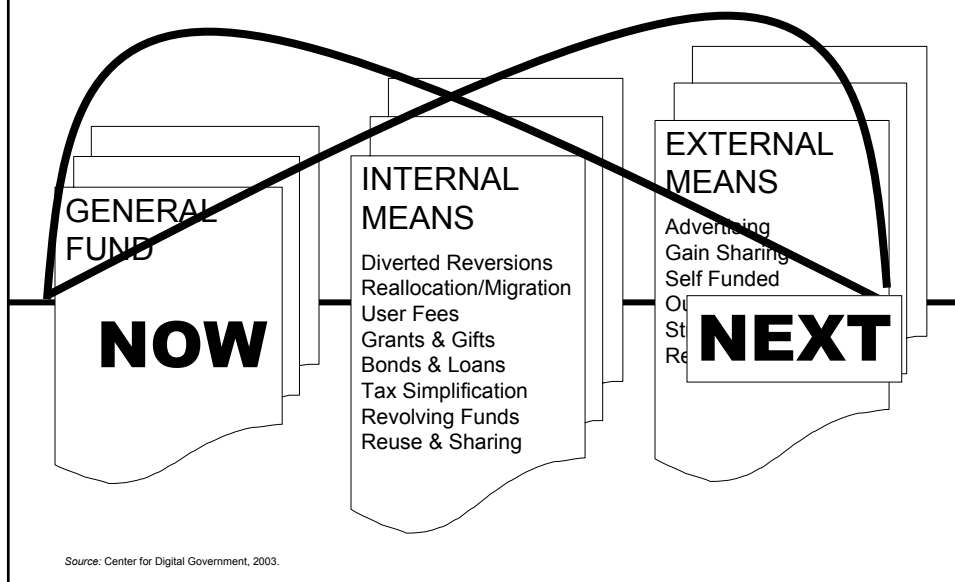
342 agencies, 654 vendors, 85,000 transactions, \$523M Orders

Source: eVA - Center for Digital Government, Sep 03

Zero

8 examples, 11 states, \$1.7 B

Pay IT Forward





Pay IT Forward



Pay IT Forward >>

Doing the Public's Business with
Digital Technologies while Reducing
Pressure on the General Fund

From the Center for Digital
Government Signature Series,
with the support of AMS, EDS,
FileNet and NIC.

Now Available

[NOW THAT THE INK HAS DRIED]



Coming Next

THE FUTURE FILE

IDENTITY

PRIVACY | AUTHENTICATION | SECRECY | ENFORCEMENT

THE EDGES

BEYOND DESKTOP | APPLIANCES | MACHINE-TO-MACHINE

GOVERNMENT OF 1

PORTAL = LIKENESS | SERVICES = DIFFERENTIATED USERS
SYNDICATE | SUBSCRIBE | SET RULES

NETWORK

OPEN | SECURE | MULTI USE | MULTI MODEL | MPLS

DECADE OF CHEAP

OPEN SOURCE | DISPOSABLE HARDWARE | PERFORMANCE AUDITS



We Have Come a **Long Way**



ETHNICITY
AGE
GENDER
ABILITY

Critical Mass

Within inches of a new majority



CITIZEN
CUSTOMER
TAX PAYER
OWNER

Control of Relationship

✓ Don't distinguish roles or experiences
✓ Literate and civic minded



ALERTS
INFORMATION
SERVICES
PROTECTION

Expectations and Needs

One Citizen = One Government



HOME
WORK
SCHOOL
STREET

Device Agnostic

Connected AND Untethered



VOICE
DATA
MEDIA
FACE-TO-FACE

Content Rich

Transactions and Relationships

Challenge of **Public Service**

OUR INHERITANCE

A Public Trust

Care Takers of Public Institutions

Stewards of Public Information

Guardians of Public Accountability



Challenge of **Public Service**

OUR LEGACY: PLANNING THE CONVERGENCE OF THE

Historic Public Trust

Public Institutions, Information & Accountability

WITH THE NEW

Digital Majority

IN ANTICIPATION OF

Kids Rule

THE *Point* of **IT** *ALL*

www.pwt.net/roadshows



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